



County of Los Angeles CHIEF EXECUTIVE OFFICE

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February 11, 2010

To: Supervisor Gloria Molina, Chair
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
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Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

SACRAMENTO UPDATE

This memorandum contains a pursuit of County position on legislation to extend continuous Medi-Cal eligibility for children under 19 years of age.

Pursuit of County Position on Legislation

SB 771 (Alquist), as amended on January 26, 2010, would extend the continuous Medi-Cal eligibility for children under 19 years of age to allow the State to participate in a proposed extension of enhanced Federal Medical Assistance Percentage (FMAP) funds.

The FY 2008-09 State Budget Act, eliminated 12-month continuous Medi-Cal eligibility for children under 19 years of age and instead required semi-annual reporting to maintain Medi-Cal eligibility for these children. The American Recovery and Reinvestment Act (ARRA) of 2009 includes a Medicaid Maintenance-Of-Effort (MOE) eligibility requirement that states maintain Medicaid eligibility standards that were in effect on July 1, 2008, in order to qualify for the FMAP increase.

SBX3 24 (Chapter 24, Statutes of 2009) suspended the required Medi-Cal semi-annual reporting and temporarily restored the 12-month continuous Medi-Cal eligibility for children under 19 years of age. This allowed the State to qualify for the temporary increase in the FMAP, which is currently set to expire on December 31, 2010. The Jobs

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Each Supervisor
February 11, 2010
Page 2

for Main Street Act of 2010 (H.R. 2847), which was passed by the House in December 2009, would extend ARRA's increased FMAP rate with its Medicaid MOE eligibility requirement through June 30, 2011. In addition, the President's released proposed Federal Fiscal Year 2011 Budget also calls for a six-month extension of the FMAP increase.

SB 771 would extend the suspension of semi-annual reporting and temporarily reinstate 12-month continuous Medi-Cal eligibility for children under 19 years of age until Federal ARRA funds are no longer available. This would allow the State to qualify for additional Federal funds should the FMAP increase be extended.

The Department of Public Social Services and this office support SB 771. Therefore, consistent with existing Board policy to support proposals, which provide a greater share of available Federal funding to the County or the State and policy to simplify Medi-Cal eligibility and promote retention of benefits, **the Sacramento advocates will support SB 771.**

SB 771 passed the Senate Floor on January 28, 2010 by a vote of 24 to 10. The bill is currently awaiting referral to a policy committee.

This measure is supported by the California State Association of Counties, the Urban County Caucus, the Regional Council of Rural Counties, the County Welfare Directors Association, and the Western Center on Law and Poverty. There is no registered opposition on file.

We will continue to keep you advised.

WTF:RA
MR:GA:sb

c: All Department Heads
Legislative Strategist
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